



Indonesia Joint Cultural Intelligence Seminar

Summary Report

This report presents the findings of the *Indonesia Joint Cultural Intelligence Seminar*. It was conducted as a component of the *Cultural Intelligence Seminar Series* which was initiated four years ago to address a key missing element of military planning; i.e., cultural knowledge essential to better act in concert with realities “on the ground” in areas of potential involvement.

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INDONESIA JOINT CULTURAL INTELLIGENCE SEMINAR

SUMMARY REPORT

I. Introduction. The *Indonesia Joint Cultural Intelligence Seminar* was conducted on 14 January 1999 at the Marine Corps Combat Development Command (MCCDC), Quantico, VA. This was the latest in the *Cultural Intelligence Seminar Series*, an ongoing program investigating areas of interest and potential employment of Marine Corps forces. It was hosted and executed by the Wargaming Division, Marine Corps Warfighting Laboratory, and supported by the Marine Corps Intelligence Activity (MCIA). Participants included a broad and eclectic group of Marine planners, Defense and State Department representatives, and cultural and humanitarian relief organizations. A list of participants is at Enclosure (1).

II. Background. The *Cultural Intelligence Seminar Series* was initiated four years ago to address a key missing component of military planning; i.e., “cultural knowledge” essential to better act in concert with “how things really work on the ground” in areas of potential involvement. While embracing traditional sources of intelligence and political information, the intent of the program is to emphasize the perspectives of non-military and non-government actors with significant experience in, and serious cultural knowledge of the region. Previous seminars have addressed such key areas of interest as Bosnia, Haiti, Somalia, Cuba, Bangladesh, Kosovo, and urban warfare from the perspectives of a number of different nations. This seminar filled a similarly pressing need given the highly dynamic situation in Indonesia and the possibility that U.S. forces could be committed to missions there.

III. Objectives. The specific objectives of the Seminar were:

- A. To assess the political and cultural conditions within Indonesia and among the other key regional players; e.g., Malaysia, Singapore, China, etc.
- B. To examine the implications of the crisis in Indonesia for military, non-governmental organization (NGO), and interagency operations.
- C. To generate a cultural intelligence “knowledge base” for use in military planning for the Indonesia region.
- D. To assess the utility of the “cultural intelligence” generated to planning for possible involvement in the region.

IV. Key Findings and Observations. Formal remarks were provided by Colonel Gary Anderson, Chief of Staff, Marine Corps Warfighting Laboratory (MCWL), Ambassador Edward Masters, President of the United States-Indonesia Society, and Dr. Viktor Gobarev, a senior analyst with the National Security Group of Science Applications International Corporation (SAIC). After these remarks, the participants addressed a series of questions and topics focused on points fundamental to “political and cultural intelligence.” This report is intended as a stand-alone familiarization with Indonesian cultural intelligence, and thus attempts to capture the major

points from the Seminar within a format of reasonable length. Thus, the following are not exhaustive, but rather represent points of particular emphasis and discussion.

A. Political, Geographic, and Cultural Points Significant to “Cultural Intelligence”

1. **Strategic Importance of Indonesia.** The Republic of Indonesia is a key strategic player both within Asia and globally due to its large population, the vast geographic expanse its territory, and its situation along major sea lines of communication (SLOCs). Its importance relative the United States is further amplified by its long-standing desire for a “special relationship” -- the desire to form a strong “friendship” with the United States and to be an ally in that region of the world. More specific points include:

a. **Population.** It is essential to understand both the scope and diversity of Indonesia’s population. It is the world’s fourth most populous country with a population of approximately 210 million people. Moreover, Muslims comprise 87% of the religious population, but it is not considered to be an Islamic state (e.g., Iran). By comparison, other religious groups are miniscule: Protestant 6%, Roman Catholic 3%, Hindu 2%, Buddhist 1%. Additionally, Indonesia is comprised of over 300 ethnic and linguistic groups, but is dominated by the Javanese, which comprise 45% of the population. Other groups of note include the Sudanese, Madurese, and coastal Malays. This diversity is likewise reflected in the spectrum of languages: Bahasa Indonesia (official, modified form of Malay), English, Dutch, and local dialects, the most widely spoken among which is Javanese.

b. **Geography.** Indonesia consists of over 17,500 islands, among which only about 6,000 are inhabited. Most significantly, however, these islands straddle the Equator and occupy a strategic location astride or along major SLOCs and their straits --most notably, the Strait of Malacca. Although its comparative area is slightly less than three times the size of Texas, Indonesia stretches across an area wider or nearly as wide as that of the continental United States

Comment. These geographic and population characteristics were considered indicative of the important role Indonesia should play in the national security strategy of the United States. Additionally, from the perspective of Non-Governmental Organizations (NGOs), it highlights the potentially enormous scope of any humanitarian or disaster relief efforts given the large numbers of people that may be involved and the vastly separated, remote areas to which aid must be delivered. Further complicating the situation is the ethnic, linguistic, and religious diversity of the population.

2. **Key Historical Points.** The pivotal historical reality relevant to the purposes of cultural intelligence is the consequences of colonial rule by the Dutch and Japanese. Indonesia was perhaps the richest colonial prize for the Europeans, exceeding even India. It was a Dutch colony for 350 years – the Dutch East Indies. The Dutch maintained strict control and autonomy, and extracted a great deal of wealth from the country. Japanese expansion into Southeast Asia early in World War II resulted in its occupation of Indonesia in 1942. Initially, the Indonesians viewed the Japanese as “liberators,” but soon came to regard them as more oppressive than the Dutch. Upon withdrawal of Japanese forces, the Dutch attempted to re-establish control. On August 17, 1945 the Indonesians proclaimed their independence, and after

several years of conflict with the Dutch, became legally independent on December 27, 1949. However, Independence Day, a National holiday, is celebrated on August 17.

Comment. The most pronounced consequences of the legacy of colonial rule are the animosity and mistrust that Indonesians to this day harbor toward the Dutch and Japanese. However, this experience has also made them (the Indonesians) suspicious of most, if not all foreigners. Participants with extensive experience in Indonesia noted that they did not expect the International Monetary Fund (IMF) agreement of January 1998 to succeed because of the way it was implemented. It appeared to the Indonesians that arrogant foreigners dictated the economic austerity policies much like during colonial rule.

3. Key Cultural Characteristics.

a. Those participants experienced at dealing with Indonesians noted that they are reluctant to offend others and do not like to raise serious, complex issues or problems, especially if prompt decisions are required. They prefer to take an indirect approach and refrain from revealing what they are really thinking regarding an issue. Some noted that they hide their “true” thoughts and/or feelings. Consequently, dealing with the Indonesians requires experience and skill at interpretation; i.e., interpreting the context of the conversation, body language, and the like.

Comment. One of the participants related an incident concerning his dealings with a high-level Indonesian government official that aptly illustrated the “indirect approach.” He found that in response to many, if not most, of his requests the Indonesian official would say “Yes.” He learned over time that there were four versions of “Yes:”

- That “Yes” really meant, “Yes.”
- That “Yes” really meant, “May be.”
- That “Yes” really meant he heard what you were saying, you could keep talking and he would continue to listen, but was remaining “non-committal.”
- That “Yes” really meant “No” -- if the thing(s) agreed to never happened the real answer was “No.”

This demonstrates the reluctance many Indonesians have to offending others, their preference for not revealing what they are really thinking, and the difficulty U.S. citizens or other foreigners can encounter conducting business with them.

b. Another important characteristic is the Indonesian tradition of “*mushito*” or consensus building. Most projects or tasks within Indonesia are accomplished by achieving consensus. The consensus-building process of the Indonesians was described as being similar to that of the Japanese.

c. Also significant is the Indonesian concept of time, or “*Rubber Time*,” as one participant described it. Time is stretched or contracted as it suits a particular individual, family, organization, etc. As an example, Indonesians generally do not commit to an invitation or event in advance – they do not like to RSVP. They may get a better offer. Consequently, one must be

flexible in planning any events with Indonesians – you cannot be certain who or how many will attend.

d. Another distinctive feature of Indonesian culture quite different from American practice is that of “*Dwi Fungsi*” which is translated “Dual Function.” Dwi Fungsi is a constitutionally provided privilege that gives the military an institutionalized role not only in politics, but in society as well. Thus, the Indonesian Armed Forces (ABRI) are authorized to assist in many functions that benefit the government and the people of the nation – they are involved in education, health care, transportation, infrastructure support, etc.

e. The Indonesians, especially during times of trouble, are susceptible to rumors that travel through unofficial channels. This tendency has the potential to create misunderstanding between Indonesians and NGOs or U.S. military organizations.

f. Indonesia has a media system (television, radio, newspapers, etc.) with good technological capabilities and open access to “official” channels of communication.

g. An old custom of the Javanese culture that still has many adherents is the belief in and reverence for a type of mystical, superstitious “Black Magic.” Adherents of this practice will often follow the recommendations of a spiritual advisor or soothsayer, which may result in a sudden change in plans or of a previous decision that is inexplicable to an foreigner.

h. Territorial integrity is an important issue for Indonesians. Thus, one of the fears that Indonesians have is that of long-term foreign intervention/occupation. Many participants advised that it would be wise to make known to the local populace that our presence was of limited duration (specifically, if possible). The evidence suggests that the Indonesians have positive memories of the work and efforts international NGOs did in the past (20 to 30 years ago). Nonetheless, it is in the interest of any outside organization (NGO or military) to move in and out quickly and turn over operations to local government or local organizations

B. Political, Social, and Economic Context of the Indonesian Crisis

1. **Financial Crisis.** Two significant events in 1994 that affected the Indonesian economy were the devaluation of the Chinese currency and the recession in Japan. The latter has hit Indonesia extremely hard as Japan is its largest investor and provides the greatest amount of foreign aid. Another contributing factor was the “shaky” banking system within Indonesia itself; in turn the result of several key factors:

- The high number of “Mom & Pop” banks which allowed loans within the corporate family;
- The lack of constraints on these type of loans; the absence of a deposit insurance system for banks;
- A large private/corporate sector debt (\$80 billion).

The economic impact of this crisis has been enormous: a ten percent retraction in the economy; rampant inflation; currency depreciation of 83%; and a 60% reduction in value of the Indonesian stock market. Further, its impact at the humanitarian level has been equally pervasive:

- Twenty-five percent of the population is unemployed, which is equivalent to what the U.S. experienced in the Great Depression.
- An estimated 50 % of the population has fallen below the poverty line.
- A substantial middle class (estimated at 16 to 20 million strong before the financial crisis) that was a force for stability has been hard hit.
- The country does not have the funds / assets to import raw materials or pay its debt.
- Food shortages have driven up costs by orders of magnitude.

2. **Environmental Crisis.** The environmental crisis wrought by drought, fires, and more recently heavy rains and floods have hit the agricultural and tourist sectors of the Indonesian economy extremely hard. Indonesia had become self-sufficient in its rice production, but as a result of these sudden environmental disasters it has become necessary to import rice and a greater quantities of other foodstuffs. This, of course, has compounded the problems arising from the financial and transitional crises.

3. **Transitional Crisis.** Unfortunately, for Indonesians the financial and environmental crises stressed a political system not prepared for change or transition. As a result, the country is experiencing chaos and confusion as it moves away from the “one-man” show of former President Suharto. Indonesia had had only two Presidents in its fifty-two year history until President Suharto was forced to resign on May 21, 1998 amidst student protests and widespread violence. B. J. Habibie, who had become Vice President in January 1998, became Indonesia’s third President following Suharto’s resignation. It appears that President Habibie plans to make a bid for the presidential office in 1999. He views himself as more than a transitional figure, though many observers consider him a Suharto “crony.” His record thus far is mixed. He has improved conditions for “human rights” in the country, freed a number of political dissidents, and granted greater freedom to the press. However, he has not improved the economic situation and there is a continuing problem with social unrest, violence, and political factionalism. The level of the political factionalism is illustrated by the fact that there are more than 120 political parties vying for seats in the June 7, 1999 Parliamentary elections. The importance of this is that after the party elections for the Assembly, the majority party will elect a President. There is not a popular election of the President in Indonesia.

C. Key Players, Groups, and Organizations

1. **President Bakharuddin Jusuf Habibie** is a brilliant individual who has performed well as a “technocrat” (engineering background). However, he is not an adept or skillful politician and is “miscast” in his present role as President. Further, he has not proven to be a good economist – his reputation is that of a “dreamy” spender who is blind to economic reality. He and Suharto were close personal friends for over 46 years, and there is the perception among the people of Indonesia that he is tainted by the corruption of that regime. Also, limited support from GOLKAR, the largest political party, and the populace could well end his tenure.

2. **Megawati Sukarnoputri** is the daughter of former President Sukarno and head of the *Indonesian Democratic Party (PDI)*. PDI is the principal opposition party to GOLKAR, and is a secular, broad-based party that includes Christians. Sukarnoputri has a reputation of being a reformer, a coalition builder, and someone with a high degree of moral authority. Those participants with the most experience in Indonesia think that at this point Sukarnoputri has the edge in becoming the next President.

3. **Amien Rais** is the leader of the *National Mandate Party (PAN)*, a currently secular but strongly pro-Islamic group. He is the former head of *Muhammadiyah*, the second largest Muslim organization in Indonesia. Some early press accounts depicted Rais as the most effective opposition leader to emerge in the early stages of the recent crises.

4. **Try Sustrisno** is a former general whom Habibie replaced as Vice-President. He is now a senior official in the *Unity and Justice Party (PKP)*. This political party includes a large number of former members of GOLKAR and active and retired military personnel from the Indonesian Armed Forces (ABRI). The head of the PKP, **Edi Sudradjat**, has recently announced that he will be a candidate for President. Additionally, the PKP has announced that they are allowing **Sustrisno** to run for President to capitalize on his name recognition – apparently, the plan is that whoever gets the most party votes between Sudradjat and Sustrisno will be the President and the other would serve as Vice President.

5. **People's Awakening Party (PKB)** is a sectarian party that is portrayed as a moderate Muslim organization.

6. **United Development Party (PPP)** is a sectarian Islamic political party that presented tame opposition to Suharto.

7. **General Wiranto** is the Armed Forces commander (CINC, ARBI) and Minister of Defense, who served as the Chief of Staff of the Indonesian Army during Suharto's last days in power. He is considered a possible candidate for President, but is not a dynamic personality or speaker and has received some criticism for the military's poor performance during the riots.

8. **Gus Dur** is the former head of *Nahdlatul Ulama (NU)*, the largest Islamic organization in Indonesia. The NU is closely affiliated with GOLKAR. Dur is an older man with serious health concerns. Nevertheless, he is viewed as someone that is "moderate" and could play the role of "king-maker" by supporting one of the other presidential candidates.

9. **Abdurrahman Wahid** is wheelchair bound from a stroke, but is the current head of NU and in that position wields power and influence.

10. **Indonesian Armed Forces (ARBI)**. The military is Indonesia's most cohesive national institution and has been the bedrock of social stability. Consequently, most observers anticipate that ARBI will play a central role in Indonesia's political future – some think it will be a positive force for democratization and reforms that enhance freedoms and liberties for the people. *A particularly interesting finding was that the Indonesian Marines are one of the most respected and well-liked organizations of the Indonesian government. They are even popular*

among the students and were used last year to evacuate the protesters (mostly students) from the Parliament building. Thus, they could be particularly valuable intermediaries in dealing with the local populace.

11. **Community Leaders** play an important role on the local level. Their authority and influence of this group is grounded in a tradition of respect – the people of the community willingly follow if the leaders are perceived as just and they set a good moral example. Islamic leaders (mullahs) are an important segment of the local leadership for many Indonesian communities – and often function as the spokesmen, especially in the rural areas.

12. **Islamic Leaders.** The Islamic faithful of Indonesia tend to be more moderate than their counterparts in the Middle East, North Africa, and elsewhere. However, there is a small Islamic “extremist” faction, which at present constitutes a fairly insignificant minority. However, there are some indications of an increasing level of international Islamic involvement in Indonesia (e.g., Afghanistan, Egypt, and Pakistan).

13. **Student Groups** have been playing a significant role in Indonesian politics. There are several factions supporting different political interests. Most support the “*Reformsi*,” or “The Change.” The primary goal of the Reformsi appears to be getting rid of the old power structure (the “Old Guys”). However, there does not appear to be any consensus among student groups on who or what replaces the old power structure.

14. **National Government.** The Indonesian political system is highly centralized in the national government in Jakarta. Nearly all, if not all issues/decisions need to be presented first in Jakarta. Consequently, a NGO or U.S. military unit needs to get the government’s approval before engaging in any activity on the provincial or local level. Generally, cooperation between Jakarta and the provincial and local governments is considered quite good. However, this centralization of decision-making does have a negative impact on distribution and a variety of other issues.

D. Groups to Avoid

1. **Indonesian Police Force.** The Indonesian Police Force is one of the most disliked/hated organizations in the country – on a daily basis the Police are the most visible instrument of government oppression.

2. **Shadow Businesses / Criminal Organizations.** There is a problem with criminal activity in Indonesia from huge, sophisticated international criminal enterprises, or syndicates, conducting shadow businesses (e.g., the Chinese Triad) to small, local, often ethnic-based gangs. The recent crises have only served to make many of these criminal organizations stronger, more active, and better organized, often exercising control on the ground in many areas of Indonesia.

3. **Ethnic Chinese Businesses.** This is a group that cannot and should not be totally avoided since they control much of the distribution and marketing in Indonesia. However, outsiders (NGOs or U.S. military organizations) need to be aware that the ethnic Chinese are

treated as second class citizens by the ethnic Indonesians, though they are estimated to control 70% of the country's wealth, while comprising only 4% of the population.

4. **Separatist Groups.** Notable separatist movements exist in East Timor, New Guinea, and Sumatra and typically seek to portray the national government in terms reminiscent of Dutch and Japanese occupation. Given the central role of the national government in “getting things done,” contact with these groups would be inadvisable.

E. **Negotiating Strategies.** There are a number of helpful negotiating strategies and recommendations offered throughout this report based on the expertise and experience of the participants. However, summarized below are some additional points for consideration:

1. Do not engage in heavy-handedness, apply pressure, or display arrogance. Indonesians are reasonable, but *style* is critically important. For example, ask for “guidance” rather than giving advice. Signal your desires, as there is a good chance of success.
2. Develop a close, trusting relationship with an Indonesian interpreter. This is especially important for “outsiders,” such as NGOs and U.S. military personnel who do not have the language skills, experience, time, or knowledge base to deal effectively with Indonesians.
3. Develop a network of Indonesian intermediaries who can better interpret what the other Indonesian party is *really* thinking concerning the issue under discussion.
4. Involve the Indonesians in any proposed involvement or operations; e.g., use their trucks to move people and food, etc.
5. Create the appearance and reality of “giving something back” to Indonesia in return for presence; make them part of the solution.
6. Begin negotiations well in advance; “time is different” there.
7. Ensure that proper channels in Jakarta have been honored, both to ensure that local jurisdictions “get the word” to cooperate and to allay the deeply rooted dislike of foreigners.
8. Avoid any dealings with criminal elements. Their information or assistance cannot be trusted, and there is great danger that some members of an outside organization could be corrupted by criminal dealings.
9. Exercise extreme caution in dealing with conflicting groups – don’t get caught in the middle.
10. Assist the Indonesians in achieving practical results that improve their situation through fairness and compassion (i.e., focus on the needy first).

F. **Future Projections / Potential Scenarios.** The seminar participants discussed the likelihood of Indonesia remaining a key strategic player in the Asia-Pacific region and

throughout the world. There are projections that the population of Indonesia will be greater than that of the U.S. sometime in the 21st century. Further, Indonesia would still be an important geopolitical crossroads: it straddles several indispensable sea lanes of communication; it may play a major role in the cultural clash of Islam and Christianity; and, it may be a vital force to counter any potential Chinese expansionism. Although there are a number of problems to overcome, the consensus among the participants was that Indonesia was likely to be a strategic region that must receive prominent consideration in the national security strategy of the United States.

V. Concluding Comments

A. There was general consensus that the Indonesians are a people who genuinely like “Americans” and would like to forge a special relationship. There was, however, a note of caution that this window of opportunity could pass us by if we do not respond with mutual respect and understanding. Some participants noted that the U.S. has sent only one high-level official (Secretary of Defense) to meet with the Indonesians since the onset of the current troubles.

B. The *Joint Indonesia Cultural Intelligence Seminar* provided a broad and diverse range of insights and perspectives into the complex dimensions of the Indonesia crisis that has been of interest to military planners for some time. The intent, again of this cultural intelligence seminar is to provide a useful additive to standard military planning, and as a result better equip planners with greater insight and understanding of the region and thus enhance the prospects for mission success.

VI. Points of Contact. Points of contact at the Wargaming Division, Marine Corps Warfighting Laboratory, are Mr. Frank Jordan or Major Victor Splan at (703) 784-3276.